

Interim Anti-Slamming Standards

SECTION 1. SCOPE

The following standards are to protect against unauthorized changes in a customer's electric power supplier or natural gas supplier as required by "The Electric Discount and Energy Competition Act", P.L. 1999, c.23., Section 37. These standards also apply to the unauthorized switch of a customer away from basic generation service or basic gas supply service provided by an authorized electric or natural gas utility.

SECTION 2. DEFINITIONS

The following words and terms, when used in these standards, shall have the following means unless the context clearly indicates otherwise.

"Act" refers to the "Electric Discount and Energy Discount and Energy Competition Act," (P.L. 1999, c. 23.).

"Board" means the New Jersey Board of Public Utilities or its successor agency.

"Customer" means any person that is an end user and is connected to any part of the transmission and distribution system within an electric public utility's service territory or a gas public utility's service territory within this State.

"Electric power supplier" means a person that is duly licensed pursuant to the provisions of the Act to offer and to assume the contractual and legal responsibility to provide electric generation service to retail customers, and includes load serving entities, marketers and brokers that offer or provide electric generation service to retail customers. The term excludes an electric public utility that provides electric generation service only as a basic generation service pursuant to section 9 of the act.

"Electric public utility" means a public utility, as that term is defined in R.S.48:2-13, that transmits and distributes electricity to end users within this State.

"Gas public utility" means a public utility, as that term is defined in R.S.48:2-13, that distributes gas to end users within this State.

"Gas supplier" means a person that is duly licensed pursuant to the provisions of the act to offer and assume the contractual and legal obligation to or provide gas supply service to retail customers, and includes, but is not limited to, marketers and brokers. A non-public utility affiliate of a public utility holding company may be a gas supplier, but a gas public

utility or any subsidiary of a gas utility is not a gas supplier. In the event that a gas public utility is not part of a holding company legal structure, a related competitive business segment of that gas public utility may be a gas supplier, provided that related competitive business segment is structurally separated from the gas public utility, and provided that the interactions between the gas public utility and the related competitive business segment are subject to the affiliate relations standards adopted by the board pursuant to subsection k. of section 10 of the Act.

“Change Order” means a request made by an electric power supplier or a natural gas supplier to an LDC to have the supplier of record of a customer changed.

“Local Distribution Company (LDC)” means an electric public utility or a gas public utility.

"Marketer" means a duly licensed electric power supplier that takes title to electric energy and capacity, transmission and other services from electric power generators and other wholesale suppliers and then assumes contractual and legal obligation to provide electric generation service, and may include transmission and other services, to an end-use retail customer or customers, or a duly licensed gas supplier that takes title to gas and then assumes the contractual and legal obligation to provide gas supply service to an end-use customer or customers.

"Slamming" means an unauthorized change in a customer's electric power supplier or gas supplier.

Third Party Supplier (TPS) - means an electric power supplier or a gas supplier as those terms are defined herein, or a person acting on behalf of such suppliers.

SECTION 3. CHANGE ORDERS FOR GAS OR ELECTRIC SERVICE

- (a) No TPS shall submit to a LDC, an order requesting a change of a customer's electric or gas supplier unless the order is in accordance with these rules. The only acceptable change order that an LDC will process is from an Electronic Data Interchange (EDI) transaction, in a Board approved format.
- (b) A change order shall be deemed to be unauthorized unless the customer has authorized the change affirmatively and voluntarily and the supplier has obtained the customer's approval either through a signed contract or such other alternative forms of verification as the Board may permit, pursuant to its consumer protection standards or Board Order.
- (c) Each change order submitted to an LDC on behalf of an electric or gas supplier must

be subject to verification procedures, in accordance with these rules and Board Orders prior to the change being effectuated by the LDC. A separate verification for an electric power supply and gas supply change order must be undertaken, even if the same company is chosen to provide both electric and natural gas services.

- (d) Records of customer authorization changes shall be retained by the TPS for a minimum of three years. In the event that a customer disputes a change order, either before or after a switch is effectuated by the LDC, the TPS shall produce the customer switch authorization within (3) business days of a request by the customer or the Board.

SECTION 4. TPS BILLING

- (a) In addition to all other information required to be included in the customer's bill pursuant to regulations and/or Board Order, any bill submitted to a customer by or on behalf of a gas supplier or an electric power supplier shall contain the name and telephone number of each party for which the billing is provided, the name and telephone number of each billing aggregator acting on behalf of a customer's TPS, The LDC's emergency phone number and any other information deemed appropriate by the Board, as well as the name, address and telephone number of the Board of Public Utilities at (973) 648-2350 and 1-800-624-0241.

SECTION 5. TPS CHANGE ORDER PROCEDURES

- (a) Notwithstanding the time frame for execution of TPS customer change requests as set forth by regulation and/or Board Order, all TPS change orders received and verified in compliance with existing standards, shall be executed as soon as possible and without unreasonable delay.
- (b) When an authorized change of a supplier is requested, the LDC shall be responsible for sending notification to the customer of the ordered change in writing, within one business day or such other a time frame as prescribed by the Board.
- (c) The LDC responsible for implementing the TPS change orders must make available to customers upon written or verbal request, confirmation of their supplier change orders, to the extent the LDC has received such an order, electronically from a TPS.

SECTION 6. UNAUTHORIZED SERVICE TERMINATION AND TRANSFER (SLAMMING)

- (a) In construing and enforcing the provisions of these standards, the act of any person, firm or corporation, acting as an agent or representative acting on behalf of a TPS or electric or gas public utility shall be deemed to be the act of that TPS, gas or electric public utility.
- (b) In the event a customer notifies the Board that slamming, as defined herein, has allegedly occurred, the supply portion of the bill that relates to the alleged slamming shall be considered in dispute pursuant to N.J.A.C. 14:3-7.13.
- (c) Any TPS, gas or electric public utility that fails to comply with the procedures prescribed in these standards and collects charges, directly or indirectly, for electric power supply or gas supply services from a customer, as a result of its or its agent's, unauthorized activity, shall be liable to the customer's properly authorized TPS, electric public utility or gas public utility in an amount equal to all charges paid by such customer after such violation, as well as for additional amounts as prescribed by regulation and/or Board Order, in accordance with such procedures as the Board may proscribe. The remedies provided in this subsection are in addition to any other remedies available by law.
- (d) In addition to any other penalties that might be imposed by the Board, a party found guilty of an unauthorized customer switch may also be liable for any direct costs incurred, as determined by the Board, by the duly authorized supplier and/or its LDC as a result of the unauthorized switch.
- (e) A customer that has been found to have been the subject of an unauthorized switch shall not be liable to its authorized supplier and/or its LDC for any more charges than the customer would have been liable for had the unauthorized switch not occurred.
- (f) If the customer cannot resolve or correct an unauthorized switch, the customer may file a complaint with to the Board under the procedures set forth in Dispute Resolution.

Beginning January 15, 2000, each electric public utility and gas public utility shall submit a quarterly report to the Board, Division of Customer Relations, containing all slamming complaints received, indicating the customer's name, address, telephone number, type of service, and the name of the TPS that requested the alleged unauthorized switch of the customer's electric power or gas supplier.

SECTION 7. ENFORCEMENT

- (a) The Board may investigate upon its own initiative or upon complaint, any allegation of a violation of these standards.

- (b) Any party determined by the Board, after notice and hearing, to have violated any provisions of these standards relating to changes in a customer's electric or gas supplier shall be subject to any one or more of the penalties permitted by the Act, including:
 - (i) Suspension or revocation of the TPS's authority to conduct business in the State;
and
 - (ii) financial penalties as permitted by law.
- (c) All monies recovered from an administrative penalty imposed pursuant to this section shall be paid into the State Treasury to the credit of the General Fund.
- (d) In considering the violations of the Act and/or the Board's Standards and Rules, the Board may consider every day of each violation against each customer as a separate offense.